

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF HAWAII

----- In the Matter of -----)
)
PUBLIC UTILITIES COMMISSION)
)
Instituting an Investigation)
Into the Availability of)
Experienced Providers of)
Quality Telecommunications)
Relay Services, Pursuant to)
Section 16.6, Hawaii Revised)
Statutes.)
_____)

DOCKET NO. 03-0058

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ENV. & CONSUMER AFFAIRS
DEPT. OF COMMERCE & INDUSTRY
CONSUMER AFFAIRS
STATE OF HAWAII

DECISION AND ORDER NO. 20163

Filed April 30, 2003
At 3:30 o'clock P.M.

Karen Higashi
Chief Clerk of the Commission

ATTEST: A True Copy
KAREN HIGASHI
Chief Clerk, Public Utilities
Commission, State of Hawaii.

K. Higashi

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OF THE STATE OF HAWAII

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DECISION AND ORDER

I.

By Order No. 20067, filed on March 7, 2003, the commission instituted a proceeding to investigate the availability of quality TRS providers. By that same order, the commission ordered Verizon Hawaii Inc. and the Division of Consumer Advocacy, Department of Commerce and Consumer Affairs (Consumer Advocate) to be parties to the proceeding and to submit a protective order within 5 days from the date of the order. On March 13, 2003, the parties filed their Proposed Stipulated Protective Order. On March 17, 2003, the commission issued Protective Order No. 20084.

On March 10, 2003, the commission sent letters to Verizon Hawaii Inc., the Consumer Advocate, Sprint Communications Co., LP (Sprint), AT&T, Hamilton Relay Service, MCI Global Relay, CSD, SBC Southwest, and Vista Information Technologies, seeking

1

comments and suggestions on the commission's draft request for services (RFS) by March 27, 2003.

On March 27, 2003, Sprint and Verizon Hawaii Inc. filed their comments on the draft RFS. On March 31, 2003, Hamilton Telecommunications submitted its comments on the draft RFS (e-mailed to the commission on March 27, 2003). On April 1, 2003, the State of Hawaii Disability and Communication Access Board submitted its comments on the draft RFS.

By Order No. 20111, filed on April 4, 2003 the commission: (1) adopted and made part of the order the final RFS dated April 4, 2003; and (2) ordered the Consumer Advocate to designate a representative to be a member of the evaluation committee by April 23, 2003. On April 23, 2003, the Consumer Advocate designated Marcey Chang, Chief Engineer, as the Consumer Advocate's representative on the evaluation committee.

On April 7, 2003, the commission published, state-wide, its public notice for the Invitation of Bids, due on April 23, 2003. That same day, the commission also sent letters and copies of Order No. 20111 and the final RFS soliciting proposals for the provision of TRS in the State of Hawaii to Sprint, AT&T, Hamilton Relay Service, MCI Global Relay, CSD, SBC Southwest, and Vista Information Technologies.

On April 21, 2003, Hamilton Telephone Company, dba Hamilton Telecommunications (Hamilton), filed its proposal. On April 23, 2003, Sprint filed its proposal. The commission's RFS

evaluation committee¹ for TRS reviewed the proposals and issued its recommendation to the commission on April 29, 2003.

II.

The evaluation committee evaluated proposals based on responses to the technical, price and management components described in the RFS. The proposals were scored on a 1,000 maximum point scale. The RFS provides, in relevant part:

6.3.1 Technical Component (350 points). Responsiveness to Section 4 of this RFS will be evaluated based on:

- Compliance with mandatory requirements including operational, technical and functional standards;
- Quality of proposed TRS;
- Technical sophistication of proposed TRS network;
- Any proposed service and technological enhancements which improve service without significantly increasing cost; and
- Ability to meet proposed commencement date for TRS.

6.3.2 Price Component (300 points). Of the qualifying proposals, the one with the lowest price per call minute will be awarded the maximum possible points for this component. Other proposals will be awarded points for this component equal to the lowest proposed price multiplied by the maximum possible points for this component, divided by the higher proposed price.

6.3.3 Management Component (350 points). The evaluation committee will evaluate the qualifications and track record of each service provider as submitted in response to Section 5.4.

¹The members of the evaluation committee are Kevin Katsura - Legal Counsel, Steven Iha - Chief Auditor, Lisa Kikuta - Researcher, Richard VanDrunen - Engineer, Janice Masuda - Engineer, and Marcey Chang - Chief Engineer for the Consumer Advocate.

It will award points for this component based on each service provider's overall ability, qualifications and experience in providing TRS.

The committee's point award was as follows:

Hamilton	313 pts	Technical Component
	300 pts	Price Component
	<u>350 pts</u>	<u>Management Component</u>
	963 pts	TOTAL
 Sprint	 337 pts	 Technical Component
	300 pts	Price Component
	<u>350 pts</u>	<u>Management Component</u>
	987 pts	TOTAL

Based on the points awarded, the commission agrees with the committee's assessment and adopts the committee's recommendation to select Sprint as the exclusive provider of intrastate TRS in Hawaii for the service period commencing from July 1, 2003 to June 30, 2006.

III.

A.

SPRINT'S BACKGROUND

Sprint is a global communications company serving more than 26 million business and residential customers in over 70 countries. Sprint has approximately 72,000 employees worldwide and nearly \$27 billion in annual revenues.

Sprint currently provides TRS for 29 states, Puerto Rico and the Federal Government. Sprint entered the TRS market in 1990, providing services to the State of Texas through one call center in Austin, Texas. Today the Sprint Relay Network encompasses 11 call centers throughout the U.S.

B.

SPRINT'S IN-STATE CALL CENTER

Sprint will provide an in-state relay center in Honolulu to handle Hawaii's relay traffic. The Hawaii relay center will be managed by CSD. CSD, Sprint's largest subcontractor, is a prominent national leader in employing and providing services to Deaf and Hard-of-Hearing citizens. CSD is a private, non-profit organization dedicated to providing broad-based services, ensuring public accessibility and increasing public awareness of issues affecting Deaf and Hard-of-Hearing individuals. CSD currently operates call centers in Sioux Falls, South Dakota, Moorhead, Minnesota, Lubbock, Texas, Syracuse, New York, Tucson, Arizona, Dayton, Ohio and Cayce, South Carolina. CSD has been a subcontractor of Sprint since 1993.

Sprint will hire one Account Manager, one Location Manager, one Operations Supervisor; one Operations Associate; one Administrative Coordinator and 15 CAs to staff its Honolulu call center. Sprint will hire communications assistants from Hawaii who are familiar with local names and events, resulting in more effective translation of calls from local citizens.

C.

SPRINT'S TRS SERVICES

Sprint will provide the following standard features:

Answering Machine Retrieval; ASCII Split Screen;
Automatic Number Identification (ANI) Technology;
Background Noises; Beeper and Pager Access;
Branding of Call Type- Temporary and Permanent;

CA Typing Speed at least 60 wpm. CA 10-Minute Replacement; Caller ID; Carrier of Choice; Cellular/PCS Phone Access; Choice of Gender; Customer Database (Name, Long Distance Profile, Frequently Dialed Numbers, Outdial Information; Customer Notes; Call Block; Outdial Restrictions; Emergency Numbers); Deaf-Blind Pacing (Slow-Typing); Delayed Call Announcer (Generic); Dialed Number Verification; Directory Assistance (Intrastate/Interstate); Emergency Calls (E911); Enhanced Modems; Error Correction; Gender ID; Hearing Carryover (HCO); HCO-HCO; HCO Permanent Branding; HCO-TTY; Inbound International; Intelligent Call Router; Intercept Message; Internet Relay Access; Last Number Redial; LEC Calling Service; Local/Extended Area Service; Machine Recording Capabilities ("Hot Key" Interactive Voice Response); Regional 800/888/877/866/855; Spanish to Spanish; Spanish to English Translation; Speech Disabled Indicator; Speech-to-Speech; Speech-to-Speech/Spanish; Speed of Answer (Service Level); Text/Voice Transmission; Toll Discounts; Transfer Gate Capabilities; TRS Customer Service; TTY Operator Services (OSD); TurboCode; ETurbo, Two-line Voice Carryover (VCO); Variable Time Stamp Macro; Voice Carryover (VCO); VCO Gated services; VCO-HCO; VCO-Permanent Branding; VCO-TTY, VCO-VCO; VCO w/ Privacy/NO GA; Voice Call Progression; Voice Gender ID; 900/800 Pay Per Call Services; 7-1-1.

Sprint will provide the following enhanced features:

Captioned Telephone (CAPTEL); Sprint Relay On-Line (SRO); Video Relay Service (VRS) - 24-hours-a-day.

D.

TRANSITION

Sprint has extensive experience in transitioning relay services. The transition of service from Verizon Hawaii Inc. to Sprint should be transparent and seamless for both customers and administrators.

Sprint represents that its Hawaii TRS relay center will be fully operational as of July 1, 2003. On an interim basis,

the CSD Tuscon Center will be the primary relay center handling Hawaii TRS and relay traffic. The Hawaii relay in-state center will be fully operational no later than October 1, 2003. Due to circuits and network connectivity requirements between Hawaii and the mainland, Sprint states it takes 100 to 120 days to complete the network connectivity and the construction of an in-state center facility.

Beginning July 2003, Sprint along with their subcontractor, Converse Communications Corporation (CCC), will assume responsibility for existing rental equipment obtained through the previous provider and continue rental and repair service of this equipment.

E.

OUTREACH AND ADVERTISING

Sprint will allocate \$100,000 annually for outreach and marketing efforts within the State of Hawaii. Sprint's outreach and marketing include (1) partnering with State agencies to conduct outreach activities throughout the state; (2) working with agencies to identify an individual to act as the point of contact for information regarding Hawaii's relay service; (3) Hawaii relay - PSA, newsletters, media relations; (4) map information; (5) CD Rom "Don't Hang up on Relay" publicity campaign and other publicity programs; (6) conferences, events, tradeshow, sponsorship funds, and program advertisement; (7) Hawaii relay brochures for relay call types including speech-to-speech; (8) TTY distribution program - promotion and

awareness; (9) promotional items - State relay branded give-a-ways (stickers, magnets, pens, key chains, etc); and (10) miscellaneous outreach expenses (videotapes, Powerpoint slides, postage, supplies, etc).

F.

PRICE

Sprint will provide its Hawaii TRS at a flat rate per session minute over the three-year period (July 1, 2003 thru June 30, 2006) at a fixed cost rate for all billable call minutes. Sprint's price for its TRS is \$1.90 per session minute.

IV.

THE COMMISSION ORDERS:

1. Sprint shall be the exclusive provider of intrastate TRS within the State of Hawaii from July 1, 2003 to June 30, 2006.

2. The content of Sprint's proposal and the terms of the commission RFS is binding on Sprint.

3. Sprint shall file a proposed transition timetable within 14 days of this Decision and Order and thereafter update the commission bi-weekly of its progress in transitioning Hawaii TRS from Verizon Hawaii Inc. to Sprint, until the transition is fully complete.

4. Sprint shall submit to the commission all updates and information needed for the commission's TRS state

certification renewal application required by the
Federal Communications Commission.

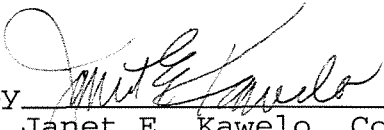
5. Sprint shall file a proposed tariff for commission
review and approval describing the terms and conditions of its
TRS.

DONE at Honolulu, Hawaii this 30th day of April, 2003.

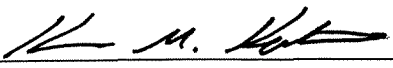
PUBLIC UTILITIES COMMISSION
OF THE STATE OF HAWAII

By 
Carlito P. Caliboso, Chairman

By (EXCUSED)
Wayne H. Kimura, Commissioner

By 
Janet E. Kawelo, Commissioner

APPROVED AS TO FORM:


Kevin M. Katsura
Commission Counsel

03-0058.eh

CERTIFICATE OF SERVICE

I hereby certify that I have this date served a copy of the foregoing Decision and Order No. 20163 upon the following parties, by causing a copy hereof to be mailed, postage prepaid, and properly addressed to each such party.

DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS
DIVISION OF CONSUMER ADVOCACY
P. O. Box 541
Honolulu, HI 96809

JOEL K. MATSUNAGA
VICE PRESIDENT-EXTERNAL AFFAIRS
VERIZON HAWAII INC.
P. O. Box 2200, A-17
Honolulu, HI 96841



Karen Higashi

DATED: April 30, 2003